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3 UNITED STATES DISTRICT COURT
4 DISTRICT OF NEVADA

5 * * *

6 LEACH LOGISTICS, INC,

7 Plaintiff,

8 v.

9 CF USA GLOBAL HOLDINGS, LLC, d/b/a
10 THE COFFEE CHERRY COMPANY,

11 Defendant.

Case No. 3:21-cv-00237-MMD-CLB

ORDER

12 Defendant CF USA Global Holdings, LLC, doing business as The Coffee Cherry
13 Company ("Coffee Cherry"), removed this case from the Second Judicial District Court of
14 the County of Washoe, Nevada, on May 24, 2021 under 28 U.S.C. § 1332. (ECF No. 1.)
15 District courts have original jurisdiction over civil actions where the matter is between
16 citizens of different states, and where the amount in controversy exceeds \$75,000. See
17 28 U.S.C. § 1332(a). Although corporations are citizens of any state in which they are
18 incorporated or have their principal place of business, "an LLC is a citizen of every state
19 of which its owners/members are citizens." *Johnson v. Columbia Props. Anchorage, LP*,
20 437 F.3d 894, 899 (9th Cir. 2006).

21 Here, Defendant asserts that Plaintiff Leach Logistics, Inc., is a Nevada company
22 with its principal place of business in Sparks, Nevada, and that Defendant is a limited
23 liability company with its principal place of business in Seattle, Washington. (ECF No. 1
24 at 2.) Defendant states that "[c]omplete diversity of citizenship exists between the parties
25 to this action and the amount in controversy is greater than \$75,000." (*Id.*) But as "the
26 party asserting diversity jurisdiction[, Coffee Cherry] bears the burden of proof." *Kanter v.*
27 *Warner-Lambert Co.*, 265 F.3d 853, 857-58 (9th Cir. 2001). Based on the Court's review
28 of Defendant's petition for removal and accompanying documents, Defendant has not

1 met its burden and has not yet identified any members of its LLC or clarify whether those
2 members are citizens of different states than Plaintiff. Therefore, Defendant's petition for
3 removal does not satisfy the diversity of citizenship requirement under 28 U.S.C. §
4 1332(a).

5 Moreover, questions exist in this action as to whether the amount in controversy
6 exceeds \$75,000. Plaintiff's complaint seeks damages for the amount due on rental of
7 storage spaces for the "months of March and April 2021." (ECF No. 1-2 at 5.) Plaintiff
8 additionally states that Plaintiff issued a written demand to Defendant to remove its
9 product from Plaintiff's facility. (*Id.*) Defendant's petition for removal asserts that Plaintiff
10 will seek rental payments owed of at least \$33,984.40, which is approximately three
11 months rent. (ECF No. 1 at 2.) Defendant additionally asserts that the cost of removal
12 and disposal of the "557 pallets of products in question . . . will add \$50,000 to the total
13 amount in controversy." (*Id.*) Defendant offers no additional explanation of this amount
14 and is not clear from the face of Plaintiff's complaint or Defendant's petition for removal
15 that the federal jurisdictional threshold is met. Defendant bears the burden of
16 demonstrating by a preponderance of the evidence that the amount in controversy
17 exceeds \$75,000. See *Guglielmino v. McKee Foods Corp.*, 506 F.3d 696, 699 (9th Cir.
18 2007). Accordingly, the Court questions whether Defendant has met its burden.

19 For these reasons stated herein, Defendant will be directed to show cause as to
20 why this action should not be remanded for lack of subject matter jurisdiction. Plaintiff
21 may file a response pursuant to LR 7-2(b).

22 It is therefore ordered that, within 15 days from the entry of this Order, Defendant
23 shall show cause in writing why this case should not be remanded for lack of subject
24 matter jurisdiction.

25 DATED THIS 26th Day of May 2021.

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MIRANDA M. DU
CHIEF UNITED STATES DISTRICT JUDGE